

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 7145

BILL NUMBER: HB 1545

DATE PREPARED: Jan 21, 2001

BILL AMENDED:

SUBJECT: Electronic monitoring of employees.

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**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State & Local

Summary of Legislation: This bill requires employers to disclose to an employee or a prospective employee any type of electronic monitoring of employees. It limits the extent to which an employer may electronically monitor the employees of the employers. The bill permits the Commissioner of Labor to investigate alleged violations of electronic monitoring of employees. It permits the Commissioner of Labor to assess a civil penalty of up to \$10,000 for a violation of electronic monitoring of employees. The bill provides that an employee or prospective employee may bring a civil action against an employer to enforce a violation of electronic monitoring of employees. This bill provides that a court may award actual damages and court costs and reasonable attorney's fees to the prevailing employee or prospective employee, and may enjoin further violation of electronic monitoring of employees.

Effective Date: July 1, 2001.

Explanation of State Expenditures: The state may incur some additional administrative expense in providing written notification about electronic monitoring. The written notification would include the following information:

1. The forms of electronic monitoring to be used.
2. The personal data to be collected.
3. The frequency of occurrence of each form of electronic monitoring.
4. The use of personal data to be collected.
5. An interpretation of printouts of statistics or other records of information collected through electronic monitoring.
6. Existing production standards and work performance expectations.
7. Methods of determining production standards and work performance expectations based on electronic monitoring statistics.

Explanation of State Revenues: The Commissioner of the Department of Labor could assess a civil penalty

of up to \$100,000 for a violation of the electronic monitoring of employees. The civil penalty provision of the bill would increase General Fund revenues by an undeterminable amount.

The filing fee for civil actions is \$100. Of this fee, 70%, or \$70, is deposited in the state General Fund if the case is filed in a trial court. If a civil case is filed in a city or town court, the state General Fund receives 55% of the \$100 filing fee.

Explanation of Local Expenditures: Added civil actions may increase the caseloads of some trial courts or city or town courts. The operating expenses of the trial courts are paid by county general funds. The expenses of the city and town courts are paid by the general fund of the city or town in which the court is located.

Explanation of Local Revenues: If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: (1) The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. (2) A \$3 fee would be assessed and, if collected, would be deposited into the county law enforcement continuing education fund. (3) A \$2 jury fee is assessed and, if collected, would be deposited into the county user fee fund to supplement the compensation of jury members.

State Agencies Affected: Department of Labor.

Local Agencies Affected: Trial courts.

Information Sources: